

AMENDED IN SENATE MAY 20, 2010
AMENDED IN ASSEMBLY JANUARY 4, 2010
AMENDED IN ASSEMBLY APRIL 14, 2009
CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 987

Introduced by Assembly Member Ma

February 27, 2009

An act to amend Sections 65460.1, 65460.2, and 65460.4 of, and to add Sections 53395.7.5 and 65460.2.5 to, the Government Code, relating to transit facilities. An act to amend Sections 65460.1, 65460.2, and 65460.4 of the Government Code, relating to transit village development planning.

LEGISLATIVE COUNSEL'S DIGEST

AB 987, as amended, Ma. Transit village development ~~districts:~~ ~~infrastructure financing-~~ *districts.*

Existing law, the Transit Village Development Planning Act of 1994, authorizes a city or county to create a transit village plan for a transit village development district. A transit village ~~plan~~ *development district* is required to include all land within not less than $\frac{1}{4}$ mile of the exterior boundary of the parcel on which is located a transit station, as defined. Existing law ~~separately authorizes a legislative body, as defined, to create an infrastructure financing district, adopt an infrastructure financing plan, and issue bonds, for which only the district is liable, to finance specified public facilities, upon voter approval.~~

~~This bill would eliminate the requirement of voter approval for the formation of an infrastructure financing district, adoption of an infrastructure financing plan, and an issuance of bonds for the purpose~~

of implementing a transit village plan adopted pursuant to the Transit Village Development Planning Act of 1994. The bill would require a transit village plan financed by these bonds to include demonstrable public benefits regarding housing and provisions for the dedicated use of bond proceeds to finance certain types of housing. This bill would recast the area included in a transit village plan *development district* to include all land within not more than $\frac{1}{2}$ mile of the main entrance of a transit station *and make additional legislative findings*. The bill also would make technical, nonsubstantive changes.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 53395.7.5 is added to the Government~~
2 ~~Code, to read:~~

3 ~~53395.7.5. With respect to an infrastructure financing district~~
4 ~~proposed to implement a transit village plan adopted pursuant to~~
5 ~~Article 8.5 (commencing with Section 65460) of Chapter 3 of~~
6 ~~Division 1 of Title 7, an election is not required to form an~~
7 ~~infrastructure financing district, adopt an infrastructure financing~~
8 ~~plan, or issue bonds pursuant to this chapter. Any other provision~~
9 ~~of this chapter applies to the formation of an infrastructure~~
10 ~~financing district and the adoption of an infrastructure financing~~
11 ~~plan.~~

12 ~~SEC. 2.~~

13 ~~SECTION 1.~~ Section 65460.1 of the Government Code is
14 ~~amended to read:~~

15 ~~65460.1. (a) The Legislature hereby finds and declares all of~~
16 ~~the following:~~

17 ~~(1) Federal, state, and local governments in California are~~
18 ~~investing in new and expanded transit systems in areas throughout~~
19 ~~the state, including Los Angeles County, the San Francisco Bay~~
20 ~~area, San Diego County, Santa Clara County, and Sacramento~~
21 ~~County.~~

22 ~~(2) This public investment in transit is unrivaled in the state's~~
23 ~~history and represents well over ten billion dollars~~
24 ~~(\$10,000,000,000) in planned investment alone.~~

25 ~~(3) Recent studies of transit ridership in California indicate that~~
26 ~~persons who live within a one-half-mile radius of transit stations~~

1 utilize the transit system in far greater numbers than does the
2 general public living elsewhere.

3 (4) The greater use of public transit facilitated by the
4 development of transit villages improves local street, road, and
5 highway congestion by providing viable alternatives to automobile
6 use.

7 (5) The development of transit village development districts
8 can improve environmental conditions by increasing the use of
9 public transit, facilitating the creation of and improvement to
10 walkable, mixed-use communities, and decreasing automobile use.

11 (6) The development of transit village development districts
12 throughout the state should be environmentally conscious and
13 sustainable, and related construction should meet or exceed the
14 requirements of the California Green Building Standards Code,
15 *Part 11 of Title 24 of the California Code of Regulations*, or its
16 successor code.

17 (7) Only a few transit stations in California have any
18 concentration of housing proximate to the station.

19 (8) Interest in clustering housing and commercial development
20 around transit stations, called transit villages, has gained
21 momentum in recent years.

22 (b) For purposes of this article, the following definitions shall
23 apply:

24 (1) “Bus hub” means an intersection of three or more bus routes,
25 with a minimum route headway of 10 minutes during peak hours.

26 (2) “Bus transfer station” means an arrival, departure, or transfer
27 point for the area’s intercity, intraregional, or interregional bus
28 service having permanent investment in multiple bus docking
29 facilities, ticketing services, and passenger shelters.

30 ~~(3) “County” includes a city and county.~~

31 ~~(4)~~

32 (3) “District” means a transit village development district as
33 defined in Section 65460.4.

34 ~~(5)~~

35 (4) “Peak hours” means the time between 7 a.m. to 10 a.m.,
36 inclusive, and 3 p.m. to 7 p.m., inclusive, Monday through Friday.

37 ~~(6)~~

38 (5) “Transit station” means a rail or light-rail station, ferry
39 terminal, bus hub, or bus transfer station.

1 ~~SEC. 3.~~

2 *SEC. 2.* Section 65460.2 of the Government Code is amended
3 to read:

4 65460.2. A city or county may prepare a transit village plan
5 for a transit village development district that addresses the
6 following characteristics:

7 (a) A neighborhood centered around a transit station that is
8 planned and designed so that residents, workers, shoppers, and
9 others find it convenient and attractive to patronize transit.

10 (b) A mix of housing types, including apartments, within not
11 more than one-half mile of the main entrance of the transit station.

12 (c) Other land uses, including a retail district oriented to the
13 transit station and civic uses, including day care centers and
14 libraries.

15 (d) Pedestrian and bicycle access to the transit station, with
16 attractively designed and landscaped pathways.

17 (e) A transit system that should encourage and facilitate
18 intermodal service, and access by modes other than single occupant
19 vehicles.

20 (f) Demonstrable public benefits beyond the increase in transit
21 usage, including any five of the following:

22 (1) Relief of traffic congestion.

23 (2) Improved air quality.

24 (3) Increased transit revenue yields.

25 (4) Increased stock of affordable housing.

26 (5) Redevelopment of depressed and marginal inner-city
27 neighborhoods.

28 (6) Live-travel options for transit-needy groups.

29 (7) Promotion of infill development and preservation of natural
30 resources.

31 (8) Promotion of a safe, attractive, pedestrian-friendly
32 environment around transit stations.

33 (9) Reduction of the need for additional travel by providing for
34 the sale of goods and services at transit stations.

35 (10) Promotion of job opportunities.

36 (11) Improved cost-effectiveness through the use of the existing
37 infrastructure.

38 (12) Increased sales and property tax revenue.

39 (13) Reduction in energy consumption.

1 (g) Sites where a density bonus of at least 25 percent may be
2 granted pursuant to specified performance standards.

3 (h) Other provisions that may be necessary, based on the report
4 prepared pursuant to subdivision (b) of former Section 14045, as
5 enacted by Section 3 of Chapter 1304 of the Statutes of 1990.

6 ~~SEC. 4. Section 65460.2.5 is added to the Government Code,~~
7 ~~to read:~~

8 ~~65460.2.5. If a city, county, or city and county finances any~~
9 ~~portion of a district, as defined in this article, under the provisions~~
10 ~~of Chapter 2.8 (commencing with Section 53395) of Part 1 of~~
11 ~~Division 2 of Title 5, the city, county, or city and county shall do~~
12 ~~all of the following:~~

13 ~~(a) Use at least 20 percent of all revenues derived from the~~
14 ~~property tax increment under Chapter 2.8 (commencing with~~
15 ~~Section 53395) of Part 1 of Division 2 of Title 5 for the purposes~~
16 ~~of increasing, improving, and preserving the supply of lower and~~
17 ~~moderate-income housing available in the district at affordable~~
18 ~~housing cost, as defined in Section 50052.5 of the Health and~~
19 ~~Safety Code, and occupied by persons and families of low- or~~
20 ~~moderate-income, as defined in Section 50093 of the Health and~~
21 ~~Safety Code, lower income households, as defined in Section~~
22 ~~50079.5 of the Health and Safety Code, very low income~~
23 ~~households, as defined in Section 50105 of the Health and Safety~~
24 ~~Code, and extremely low income households, as defined in Section~~
25 ~~50106 of the Health and Safety Code. The amount of very low,~~
26 ~~low- and moderate-income housing shall be in compliance with~~
27 ~~the Community Redevelopment Law (Part 1 (commencing with~~
28 ~~Section 33000) of Division 24 of the Health and Safety Code) and~~
29 ~~any adopted policies of the city, county, or city and county that~~
30 ~~adopted the transit village plan.~~

31 ~~(b) Require that housing units described in subdivision (a)~~
32 ~~remain available at affordable housing cost to, and occupied by,~~
33 ~~persons and families of low- or moderate-income and very low~~
34 ~~income and extremely low income households for the longest~~
35 ~~feasible time, but for not less than 55 years for rental units and 45~~
36 ~~years for owner-occupied units. The covenants or restrictions~~
37 ~~implementing this requirement shall be in compliance with~~
38 ~~subdivision (f) of Section 33334.3 of the Health and Safety Code.~~

39 ~~(c) Rehabilitate, develop, or construct, or cause to be~~
40 ~~rehabilitated, developed, or constructed for rental or sale to persons~~

1 ~~and families of low- or moderate-income an equal number of~~
2 ~~replacement dwelling units that have an equal or greater number~~
3 ~~of bedrooms as the destroyed or removed units, at affordable~~
4 ~~housing costs within the district, and within four years after the~~
5 ~~destruction or removal, whenever dwelling units housing persons~~
6 ~~and families of low- or moderate-income are destroyed or removed~~
7 ~~from the low- and moderate-income housing market as part of the~~
8 ~~development of a district that is subject to a written agreement~~
9 ~~with the city, county, or city and county, or when financial~~
10 ~~assistance has been provided by the city, county, or city and county.~~
11 ~~The replacement dwelling units shall be available at affordable~~
12 ~~housing cost to, and occupied by, persons and families in the same~~
13 ~~or a lower income category as the persons and families displaced~~
14 ~~from those destroyed or removed units.~~

15 ~~(d) Include in the transit village plan both of the following:~~

16 ~~(1) As one of the five demonstrable public benefits required by~~
17 ~~subdivision (f) of Section 65460.2, either an increased stock of~~
18 ~~affordable housing or live-travel options for transit-needy groups.~~

19 ~~(2) Provisions to implement subdivisions (a) and (b) and~~
20 ~~paragraph (1).~~

21 ~~SEC. 5.~~

22 *SEC. 3.* Section 65460.4 of the Government Code is amended
23 to read:

24 65460.4. A transit village development district shall include
25 all land within not more than one-half mile of the main entrance
26 of a transit station designated by the legislative body of a city,
27 county, or city and county that has jurisdiction over the station
28 area.